

Audit Committee

Member of the fourth Audit Committee is composed of five independent directors. The Audit Committee exists as an enhancement to the Company's supervisory and management function. It assists the Board of Directors in various decisions such as review of financial statement, internal control policy, internal audit, accounting policies and procedures, major asset transactions, appointment/dismissal/independence /suitability of certified public accountants, appointment/dismissal of chief accountant and chief auditor, etc., thereby ensuring that the Company operates in compliance with the competent authority's instructions and relevant laws.

Once the internal audit report and tracking report have been prepared and approved by Compal's Chief Auditor, he/she is presented to each independent director for review before the end of the month following the audit. Independent directors may contact the Chief Auditor at any time should they require further information on the audit task or follow-up progress. The Chief Auditor reports the Audit Committee on a quarterly basis regarding the audit progress, and discusses with during the meetings. Independent directors engage external auditors to discuss the outcome of the financial statement audit and other relevant legal issues at least once a year. Independent directors are also involved in decisions such as appointment, independence review, and suitability review of certified public accountants.

■The powers of the Committee are as follows:

1. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of the internal control system.
3. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
4. Matters in which a director is an interested party.
5. Asset transactions or derivatives trading of a material nature.
6. Loans of funds, endorsements, or provision of guarantees of a material nature.
7. The offering, issuance, or private placement of equity-type securities.
8. The hiring or dismissal of a certified public accountant, or their compensation.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. Annual financial report which are signed or sealed by the chairperson, managerial officer, and accounting officer.
11. Proposals for business report, proposal for distribution of profits or covering of losses.
12. Other material matters as may be required by this Corporation or by the competent authority.

■Professional Qualifications and Experience of Audit Committee Members

Identity	Name	Qualifications and Experience
Independent Director	Duh Kung Tsai	Bachelor's degree in Taipei Institute of Technology (Industrial Engineering Dept.) Chairman & Chief Strategy Officer of Powertech Technology Inc., Director of Greatek Electronics Inc., Independent Director of Chicony Power Technology Co. Ltd. The individual has rich knowledge and adequate experience in the electronics industry, business operations, risk management, and corporate merger/acquisition, which is extremely helpful to the company's development. The Independent Director possesses more than 30 years of work experience required for the Company's business.

Identity	Name	Qualifications and Experience
Independent Director	Wen-Chung Shen	Department of Electrical Engineering, National Taiwan University Chairman of Her Tuo Co., Ltd., and Director and Executive Vice President of Compal The individual has rich knowledge and adequate experience in the electronics industry, business operations, and risk management, which is extremely helpful to the company's development. The Independent Director possesses more than 30 years of work experience required for the Company's business.
Independent Director	Lee-Chiou Chang	Bachelor's degree in NCCU (Public Finance Dept.), Master's degree in NCCU (Insurance Dept.) Chairman of Yuanta Securities Co., Ltd., Team leader of Securities and Futures Bureau, FSC Chairman of Sun Ten Group., Chairman of Panion & BF Biotech Inc., Chairman of Ho Tung Chemical Corp. The individual has rich knowledge and adequate experience in biotechnology, medical, business operations, and financial accounting, which is extremely helpful to the company's development. The Independent Director possesses more than 30 years of work experience required for the Company's business.
Independent Director	Shui-Shu Hung	MD in National Taiwan University (Medicine Dept.) Chairman of Catcher Technology Co., Ltd. The individual has rich knowledge and adequate experience in the electronics industry, business operations, and risk management, which is extremely helpful to the company's development. The Independent Director possesses more than 30 years of work experience required for the Company's business.
Independent Director	Tzu-Ting Huang	Bachelor's degree in National Chung Hsing University (Law Dept.) Chief Operating Officer, Consultant, Property Rights and Marketing Department Services of Acer Incorporated, Independent Director of Flytech Technology Co., Ltd. The individual has rich knowledge and adequate experience in the electronics industry, Property Rights and Marketing Department Services and Supply Chain Management, which is extremely helpful to the company's development. The Independent Director possesses more than 30 years of work experience required for the Company's business.

■Attendance of Members at Audit Committee Meetings

- The company's Audit Committee is composed of three (term of the 3rd) and five (term of the 4th) independent directors.
- The term of the 3rd committee is from August 27, 2021 to May 31, 2024.
- The term of the 4th committee is from May 31, 2024 to May 30, 2027.
- There were seven Audit Committee meetings during 2024 (A) and the committee members attendance records were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) [B/A]	Remarks
Convener	Duh Kung Tsai	3	0	100%	Took office on May 31, 2024
Committee Member	Wen-Chung Shen	7	0	100%	Re-election

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) [B/A]	Remarks
Committee Member	Lee-Chiou Chang	3	0	100%	Took office on May 31, 2024
Committee Member	Shui-Shu Hung	3	0	100%	Took office on May 31, 2024
Committee Member	Tzu-Ting Huang	3	0	100%	Took office on May 31, 2024
Convener	Min-Chih Hsuan	3	1	75%	Left office on May 31, 2024
Committee Member	Duei Tsai	4	0	100%	Left office on May 31, 2024

■ **The major audit items of the Audit Committee in 2024 are as follows:**

1. Annual and interim financial reports, Business report, Proposal for distribution of profits
2. To evaluate the CPAs' independence and competence for performing the financial report audit
3. Matters in which a Director is an interested party
4. Election of the Committee convener and Chairman of the 4th Audit Committee
5. Appointment of the President, Accounting Officer, Financial Officer and Internal Audit Officer
6. A material monetary loan, providing of endorsements and Corporate Guaranty Letter
7. A material asset transaction.
8. The amendments to the internal control system pursuant
9. Assessment of the design and operation effectiveness of the internal control system.
10. The defects, irregularities, and the status of corrections in the internal control system.
11. Annual audit plan for year 2025
12. Compliance with the relevant laws and regulations by the Corporation.

■ **Matters listed in Item 5, Article 14 of the Security Act:**

Board of Directors Meeting	Content of discussion and actions taken in response	Matters listed in Item 5, Article 14 of the Security Act	Not approved by the Audit Committee but had the consent of more than two-thirds of all directors.
15th Meeting (14th Term) 2024.2.29	1.To approve the Audited Consolidated Financial Report and Parent Company Only Financial Report for the year 2023	V	None
	2.To approve the proposal for Distribution of Earnings for the year 2023	V	None
	3.To approve fund loan to 100% owned subsidiary Compal Smart Device India Private Limited	V	None
	4.To approve fund loan to 100% owned subsidiary Compalead Eletrônica do Brasil Indústria e Comércio Ltda.	V	None
	5. To approve providing providing a Corporate Guarantee Letter for Compal Tecnologia Do Brasil Ltda., a 100% owned -subsidiary of the Company, to Quanta Computer Inc.	V	None
	6.To approve providing providing a Corporate Guarantee Letter for Compalead Eletrônica do Brasil Indústria e Comércio Ltda., a 100% owned - subsidiary of the Company, to Quanta Computer Inc.	V	None
	▲ Resolution adopted by the Audit Committee (2024.2.29): Upon solicitation of comments by the Chairman, no objection was addressed, and the		

Board of Directors Meeting	Content of discussion and actions taken in response	Matters listed in Item 5, Article 14 of the Security Act	Not approved by the Audit Committee but had the consent of more than two-thirds of all directors.
	resolution was adopted unanimously by the Committee Members present.		
	<p>▲ Action taken by the Company in response to the opinion of the Audit Committee: Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Directors present.</p>		
16th Meeting (14th Term) 2024.3.12	1.To approve for senior level management change	V	None
	2.To approve the Business Report for the year 2023	V	None
	3.To approve the investment in CGS Technology (Poland) sp. z o.o. (a Polish subsidiary) by participating in the capital injection by cash.	V	None
	4.To approve fund loan to 100% owned subsidiary Compal Tecnologia Do Brasil Ltda.	V	None
	5.To approve the Internal Control System Statement for the year 2023	V	None
	<p>▲ Resolution adopted by the Audit Committee (2024.3.12): Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Committee Members present.</p>		
	<p>▲ Action taken by the Company in response to the opinion of the Audit Committee: Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Directors present.</p>		
17th Meeting (14th Term) 2024.4.16	1. To approve the release of non-competition restrictions for the managers	V	None
	2. To approve evaluation of CPAs' independence and competence in performing financial report audits.	V	None
	3. To approve the amendment to the "2024 Annual Audit Plan"	V	None
	<p>▲ Resolution adopted by the Audit Committee (2024.4.16): Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Committee Members present.</p>		
	<p>▲ Action taken by the Company in response to the opinion of the Audit Committee:</p> <ul style="list-style-type: none"> • Motion 1 An interested party relationship existed with Director Chung-Pin Wong. In order to avoid a conflict of interest, this Director excused himself from discussion and voting on this proposal. Upon solicitation of comments by the Chairman of the meeting, no objection was addressed and the resolution was adopted unanimously by the remaining Directors present. • Except for motion 1 Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Directors present. 		
18th Meeting (14th Term) 2024.5.13	1.To approve the 1Q 2024 Consolidated Financial Review Report	V	None
	2.To approve the release of non-competition restrictions for the managers	V	None
	<p>▲ Resolution adopted by the Audit Committee (2024.5.13): Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Committee Members present.</p>		
	<p>▲ Action taken by the Company in response to the opinion of the Audit Committee:</p> <ul style="list-style-type: none"> • Motion 2 An interested party relationship existed with Director Ming-Chih Chang. In order to avoid a conflict of interest, this Director excused himself from discussion and voting on this proposal. Upon solicitation of comments by the Chairman of the meeting, no objection was addressed and the resolution was adopted unanimously by the remaining Directors present. 		

Board of Directors Meeting	Content of discussion and actions taken in response	Matters listed in Item 5, Article 14 of the Security Act	Not approved by the Audit Committee but had the consent of more than two-thirds of all directors.
	<ul style="list-style-type: none"> Except for motion 2 <p>Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Directors present.</p>		
1st Meeting (15th Term) 2024.5.31	1. Election of the Committee convener and the Chairman of the 4th Audit Committee	V	None
	2.To approve the appointment of President	V	None
	3.To approve the appointment of Accounting Officer	V	None
	4.To approve the appointment of Financial Officer	V	None
	5.To approve the appointment of Internal Audit Officer	V	None
	<p>▲ Resolution adopted by the Audit Committee (2024.5.31):</p> <ul style="list-style-type: none"> Motion 1 <p>Duh Kung Tsai is elected by all members as the convener and Chairman of the Audit Committee.</p> <ul style="list-style-type: none"> Except for motion 1 <p>Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Directors present.</p>		
	<p>▲ Action taken by the Company in response to the opinion of the Audit Committee:</p> <ul style="list-style-type: none"> Motion 1: <p>Not applicable (No request of the consent of the Board of Directors)</p> <ul style="list-style-type: none"> Motion 2 <p>An interested party relationship existed with Director Anthony Peter Bonadero. In order to avoid a conflict of interest, this Director excused himself from discussion and voting on this proposal. Upon solicitation of comments by the Chairman of the meeting, no objection was addressed and the resolution was adopted unanimously by the remaining Directors present.</p> <ul style="list-style-type: none"> Except for motions 1 and 2 <p>Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Directors present.</p>		
2nd Meeting (15th Term) 2024.8.13	1.To approve the 1H 2024 Consolidated Financial Review Report	V	None
	2.To approve the appointment the manager of Kaohsiung Branch	V	None
	3.To approve for a loan to Henghao Technology Co. Ltd.	V	None
	4.To approve for a loan to Unicom Global, Inc.	V	None
	5.To approve providing a Guarantee and endorsement 70% owned subsidiary for Kinpo & Compal Group Assets Development Corporation.	V	None
	6.To approve providing a Guarantee and endorsement 100% owned subsidiary for Compal Ruifang Health Assets Development Corporation.	V	None
	7.To approve providing a Guarantee and endorsement 100% owned subsidiary for CGS Technology (Poland) Sp. z o. o.	V	None
	<p>▲ Resolution adopted by the Audit Committee (2024.8.13):</p> <p>Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Committee Members present.</p>		
	<p>▲ Action taken by the Company in response to the opinion of the Audit Committee:</p> <ul style="list-style-type: none"> Motion 2 <p>An interested party relationship existed with Director Sheng-Hua Peng. In order to</p>		

Board of Directors Meeting	Content of discussion and actions taken in response	Matters listed in Item 5, Article 14 of the Security Act	Not approved by the Audit Committee but had the consent of more than two-thirds of all directors.
	<p>avoid a conflict of interest, this Director excused himself from discussion and voting on this proposal. Upon solicitation of comments by the Chairman of the meeting, no objection was addressed and the resolution was adopted unanimously by the remaining Directors present.</p> <ul style="list-style-type: none"> • Motion 5 The Independent Director Duh Kung Tsai to act as a deputy chairman to preside at this meeting to discuss and vote on this proposal. Directors of the Company, Jui-Tsung Chen, Sheng-Hua Peng, Sheng-Chieh Hsu, and Chieh-Li Hsu are also acting as Directors of Kinpo&Compal Group Assets Development Corporation. To avoid conflict of interest, they recuse and exclude themselves from discussion and voting on this proposal in accordance with the Company's Regulations Governing the Proceedings of Board of Directors Meetings. Upon solicitation of comments by the chairman, no objection was addressed and the resolution was adopted unanimously by the remaining Directors present. • Except for motions 2 and 5 Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Directors present. 		
3rd Meeting (15th Term) 2024.11.12	1.To approve the 3Q 2024 Consolidated Financial Report	V	None
	2.To approve the plans and strategies of Sustainability for the year 2025	V	None
	3.To approve providing a Corporate Guarantee Letter for COMPAL TECNOLOGIA DO BRASIL LTDA., a 100% owned -subsidiary of the Company, to Quanta Computer Inc..	V	None
	4.To approve providing a Corporate Guarantee Letter for COMPALEAD ELETRONICA DO BRASIL IND. E COM. LTDA., a 100% owned -subsidiary of the Company, to Quanta Computer Inc.	V	None
	5.To approve fund loan to 100% owned subsidiary COMPAL EUROPE (POLAND) Sp. z o.o	V	None
	6.To propose for approval of annual audit plan for year 2025	V	None
	<p>▲ Resolution adopted by the Audit Committee (2024.11.12): Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Committee Members present.</p> <p>▲ Action taken by the Company in response to the opinion of the Audit Committee: Upon solicitation of comments by the Chairman, no objection was addressed, and the resolution was adopted unanimously by the Directors present.</p>		

Note: With the exception of the aforementioned matter, other matters not approved by the Audit Committee but had the consent of more than two-thirds of all directors: None.

■ The actions of the independent directors with respect to the avoidance: None.